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**TO:** Participating Schools and Lenders

**FROM:** Diane Todd Sprague, Director

**DATE:** September 16, 2004

**SUBJECT:** Educational Loan Notes

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**MGA WELCOMES STEPHANIE BOGARD**

If her career history is any indication, Stephanie Bogard was born to work in financial aid. From her days as a student employee at Lansing Community College (LCC) through her current position as the Michigan Guaranty Agency's (MGA) newest deputy directory Stephanie's working hours have been dedicated to the student financial aid field.

Stephanie pursued her degree in teaching at Michigan State University (incidentally, while continuing to work in the financial aid office at LCC). After graduation she discovered teaching jobs were scarce, and when she was offered the position of coordinator of the Federal Family Education Loan Program (FFELP) at LCC, she decided to become a full-time member of the LCC financial aid team.



Stephanie Bogard, Deputy Director

Stephanie left LCC in 1997 to become the financial aid officer for the Auburn Hills campus at Oakland Community College. After a short time there, she opted to move to Schoolcraft College because the offer of a part-time position was in line with her plans to have more time available for raising children. She is now the proud mom of six-year-old Austin, who just ventured into academia this year as a kindergartner, and his little sister, four-year-old Isabel.

In 2001 Stephanie joined the Michigan Higher Education Assistance Authority in the Office of Scholarships and Grants. This afforded her the opportunity to connect with an entirely new segment of the financial aid community, and she says she will miss the people with whom she has built relationships during her time in that position. She is, however, looking forward to "relearning" the FFEL Program and is excited about the prospect of reconnecting with old friends in the student loan field as she continues to develop her role in the area of training and development for MGA.

Please welcome Stephanie to her new position within the bureau. She can be reached by telephone at 1-800-642-5626, extension 12101, or via email at [BogardS1@michigan.gov](mailto:BogardS1@michigan.gov).



### STAFF NEWS

Philip Trapp of MGA's Customer Services Unit has accepted a new role in the Bureau of Student Financial Services within the Michigan Department of Treasury. He began his new job as Assistant to the Bureau Director on Monday, August 16.

In May 2003 Phil began working at MGA assisting schools, lenders, and students in our Customer Services Unit. As many of you know, he was a valuable asset to the Customer Services team, dedicated to resolving student financial aid issues.

Phil has over ten years of educational administrative experience at postsecondary institutions. Prior to his work at MGA, he served as the Coordinator of Evening and Extension Services at Washtenaw Community College. He also worked in a variety of capacities at Concordia University, serving as the Assistant Director of Admissions and as Sports Information Director.

Please welcome Phil to his new position within the bureau. You can reach Phil at 517-241-0018 or via email at [TrappP@michigan.gov](mailto:TrappP@michigan.gov).

### RETURN OF TITLE IV FUNDS (R2T4) SOFTWARE ON THE WEB

Federal Student Assistance (FSA) has announced it is going to implement new Return of Title IV Funds (R2T4) software on the Web this fall. This new Web product can be used immediately, for 2004-05 and beyond.

The new Web product, like the current PC product, will calculate the Return of Title IV Funds for students who withdraw from school during a payment period or period of enrollment.

According to the U.S. Department of Education (ED), R2T4 on the Web (OTW) will include six reports that schools can use to track the status of students as they move through the withdrawal and R2T4 process:

- **Student Listing** – list of all the students who have R2T4 calculations.
- **Student Notification** – lists the students the school has notified about R2T4 calculation and/or overpayment.

- **Student Repayment Arrangements** – lists students with whom the schools have made repayment arrangements.
- **School Portion of R2T4 Returned** – tracks when a school's portion was returned.
- **Students with a Post-Withdrawal** – tracks students who have "Post-Withdrawal Disbursements Not Complete."
- **Student Records to be Referred to ED** – tracks students who have been referred to ED for repayment.

One advantage R2T4 OTW offers to schools is that there is no software to download; the software is accessible from anywhere on campus where there is Internet connectivity.

### Sign up for R2T4 OTW

Sign up via the Student Aid Internet Gateway (SAIG) Enrollment Web site at <https://www.fsaweb enroll.ed.gov/PMEnroll/>. When available, the R2T4 Web Application will be accessed via FAA Access at <https://fafsa.ed.gov/faa/faa.htm>.

ED is also making some updates to the current PC version of R2T4. This will most likely be the last update made to this software, and if changes are made to R2T4 requirements in the future they will be incorporated into the Web version only, phasing out the PC version.

ED has made several presentations to introduce R2T4 OTW including a session at the 2004 National Association of Student Financial Aid Administrators (NASFAA) Conference. You can access this presentation on the Information for Financial Aid Professionals (IFAP) Web site at <http://ifap.ed.gov/presentations/attachments/04NASFAAR2T4Revised.ppt>.



**2004 FALL SCHOOL WORKSHOPS**

Mark your calendar for the 2004 Fall School Workshops. The Michigan Guaranty Agency will offer these workshops at no cost to your institution at the following locations:

**Wednesday, November 17, 2004**

Schoolcraft College  
Livonia, Michigan

**Thursday, November 18, 2004**

Grand Rapids Community College  
Grand Rapids, Michigan

Tentative agenda topics include:

- Federal policy and regulatory update
- FFELP: Program fundamentals and useful tools
- Federal delivery system update
- What would you do?
- Mapping Your Future

Workshop details will be sent electronically in October with a complete agenda and registration form. If you have questions or suggestions for workshop topics, please feel free to contact Flora Boles at extension 52882 or via email at [bolesf@michigan.gov](mailto:bolesf@michigan.gov).

**MGA OFFERING LIFE SKILLS<sup>SM</sup>  
TRAIN-THE-TRAINER WORKSHOPS**

To assist schools and their students, the Michigan Guaranty Agency is pleased to once again offer the popular Life Skills Train-the-Trainer Workshops this December. Last fall a total of 64 participants representing 27 schools attended the workshops. Evaluations were resoundingly positive, and we look forward to another successful set of workshops.

Life Skills is a leading-edge financial literacy program that helps students manage their finances and complete their degrees or programs on time. These hands-on workshops are designed for any school personnel in a position to discuss various strategies for coping with the financial and academic challenges of students at their schools. Examples include staff at orientation sessions, residence hall advisors, financial aid advisors, counselors, and instructors. Life Skills is designed for independent use or can be incorporated into many academic areas. Examples of schools using

Life Skills in Michigan are attached to this issue of *Educational Loan Notes*.

Cynthia Waisner, Managing Partner of Catalyst Consulting Partners, LLC, an organizational development and strategy consulting firm, will once again facilitate the Life Skills workshops. Ms. Waisner has an extensive background and expertise in the areas of training and development, executive coaching, and business strategy. From her experience with the pilot phase of the Life Skills program she has designed student assessments and interactive student activities that she will share at these workshops.

Workshop dates and locations are as follows:

**Monday, December 13, 2004**

Wayne State University  
Farmington Hills campus

**Tuesday, December 14, 2004**

Grand Valley State University  
Allendale campus

Each workshop will run from 9:00 a.m. to 3:00 p.m., and lunch will be provided. **There is no charge for this workshop.**

The five modules of the Life Skills program are:

- **Module 1 - Get a Grip on Your Finances**  
Strategies for managing money wisely while in school.
- **Module 2 - Seek Out Financial Aid**  
Strategies for obtaining financial support and understanding related responsibilities.
- **Module 3 - Work Hard, But Smart**  
Strategies to help students succeed in school and complete their education in a timely manner.
- **Module 4 - Take Control of Your Future**  
Strategies and skills for succeeding in college and beyond.
- **Module 5 - Now That You're About to Graduate**  
Reinforces students' knowledge of loan repayment options, responsibilities, and obligations.

If you did not attend one of our sessions last fall and are interested in this opportunity, please contact Jim Swisk at extension 37121 or via email at [swiskj@michigan.gov](mailto:swiskj@michigan.gov).

### **MAPPING YOUR FUTURE** **2004-05 CHAT SCHEDULE**

The Michigan Guaranty Agency, a sponsor of Mapping Your Future (MYF), invites schools and students to participate in the MYF chat events for the 2004-05 academic year. These live chats are a great way for students to communicate online with a counselor and have their financial aid, college, and career questions answered.

The schedule and topics for the chats are listed below. Daytime chats are held from 3:00 to 4:00 p.m., Eastern Standard Time. Evening chats are from 7:00 to 8:00 p.m., Eastern Standard Time.

- **October 12, 2004 – Evening Chat**  
*Finding the school of your dreams and gaining admission.*
- **November 9, 2004 – Evening Chat**  
*Loan forgiveness, cancellation, and discharge.*
- **December 14, 2004 – Evening Chat**  
*Loan consolidation.*
- **January 11, 2005 – Evening Chat**  
*FAFSA, financial aid, and careers.*
- **February 8, 2005 – Daytime Chat**  
*FAFSA, financial aid, and careers.*
- **March 8, 2005 – Daytime Chat**  
*Online and distance education.*
- **April 12, 2005 – Evening Chat**  
*Deferments, forbearances, and default prevention.*
- **May 10, 2005 – Evening Chat**  
*Loan consolidation, forgiveness, cancellation, and discharge.*
- **August 9, 2005 – Daytime Chat**  
*College admissions and standardized tests.*
- **September 13, 2005 – Evening Chat**  
*Debt management strategies.*

Mapping Your Future (<http://mapping-your-future.org>) is a public service Web site that has earned a solid reputation in the student financial aid community as a comprehensive source of college and career information for students and parents throughout the United States. MGA, along with other sponsors participating in FFELP, are committed to providing information regarding higher education and career information.

Anyone with Internet access can join in the chat events by visiting [mapping-your-future.org](http://mapping-your-future.org) online. Simply select the chat session, and

instructions will guide you on how to join the event. Questions and answers from previous chats are also available on the MYF Web site.

If you have any general questions about the chat event or the MYF Web site, please contact Flora Boles at extension 52882 or via email at [bolesf@michigan.gov](mailto:bolesf@michigan.gov).

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*Editor's Note: The following is a notice from the U.S. Department of Education sent to MGA.*

### **IDENTITY THEFT ALERT!**

The Offices of Inspector General (OIG) and Federal Student Aid at the U.S. Department of Education are working together to alert students, schools, and others in the financial aid community about identity theft involving federal education funds. Identity theft is a growing national crime; last year nearly ten million people were victims of identity theft.

OIG investigations are finding that federal student aid funds are becoming a target for identity thieves. College students are particularly vulnerable to having their Social Security Numbers and drivers' license information stolen – leading to thousands of dollars in unauthorized debt, wrecked credit ratings, and even the possibility of lost job opportunities. OIG has investigated cases of individuals who used deceased persons' identities, stolen identities, and identities of relatives to attempt to obtain student aid fraudulently.

We [ED] have created a new Web resource: [www.ed.gov/misused](http://www.ed.gov/misused), which contains comprehensive information about preventing and reporting identity theft. We encourage you to be vigilant in safeguarding Social Security Numbers and other personally identifying information.

If you suspect identity theft affecting federal education funds, report this activity by calling the OIG hotline: **1-800-MISUSED**. OIG has criminal investigators in offices nationwide that investigate identity theft involving federal education funds.

For more information, and to report identity theft go to [www.ed.gov/misused](http://www.ed.gov/misused) or call **1-800-MISUSED**.

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### INFORMATION SECURITY

The Michigan Guaranty Agency takes the confidentiality of student information very seriously. MGA's policies and procedures are based not only on the requirements of the Gramm-Leach-Bliley Act (legislation for financial institutions that regulates the disclosure of personal information), but also on the internal regulations of the Michigan Department of Treasury. Schools should feel confident in knowing that the underlying purpose is to provide the utmost safeguard of their students' information. Policies of individual lenders and schools may vary but should comply with safeguarding information.

Examples of things that should **NOT** be done include, but are not limited to:

- Emailing of information with the student's Social Security Number in the subject line.
- Sending information via fax or email without a confidential disclosure disclaimer.
- Disclosing information to third parties who are not entitled to receive the information without written authorization.
- Throwing away information containing confidential information in a common trash receptacle – this information should be destroyed (burning, mulching, pulping, or shredding).

MGA conducted an Information Security presentation at its Spring School Workshops that covered both business and private protection of personal information. The presentation was well received at the workshop, and it is being made available to schools through our Info Team concept (whereby MGA staff will come to your institution to present mini-workshops on a wide variety of topics). If you are interested in the Information Security presentation or other Info Team mini-workshops, please contact Flora Boles at extension 52882 or via email [bolesf@michigan.gov](mailto:bolesf@michigan.gov).

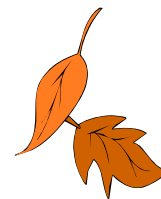
### COMMON MANUAL POLICY PROPOSAL TEMPLATE AVAILABLE FOR SUBMISSIONS

The August issue of *Educational Loan Notes* highlighted how ideas are brought to the *Common Manual* Policy Committee from FFELP community members. To expedite the process of converting ideas to actual policy proposals, the committee is encouraging participants to submit suggestions for change via a standard format. This standard policy proposal format ensures that the Policy Committee is provided with concise information for:

- Referencing the location of the specific change requested.
- Understanding the objective of the change.
- Reviewing existing *Common Manual* text with the change.
- Comparing the change to law, regulations, and federal guidance.
- Understanding the rationale for the change.
- Understanding the implications the change may have on FFELP.
- Evaluating the effective date and trigger event for the change.

Attached to this issue of *Educational Loan Notes* is a copy of the Microsoft Word template developed by the Policy Committee for use when submitting a policy proposal. When completed, the form should be submitted to the committee chairperson, Jacki Fairbairn for further action. Jacki can be reached at 715-524-4532 or via email at [jfairbairn@glhec.org](mailto:jfairbairn@glhec.org).

If you would like to receive the actual Word template created by the committee for policy proposals along with detailed instructions for completing the form, please email your request to Pat Fromm at [frommp@michigan.gov](mailto:frommp@michigan.gov).



**THE “ED” PIPELINE**

Following is a list of some of the most recent ED correspondence for schools and lenders.

**Dear Partner**

**July 2004**

**ANN-04-08**

This letter announces Federal Student Aid’s (FSA) one-day training workshops covering Return of IV Funds, Analyzing Data, and Conflicting Information. The workshops are offered from September through December at locations throughout the country. The letter also provides a link to FSA’s new registration system, where all workshops and locations are listed.

**Dear Partner**

**July 2004**

**ANN-04-09**

This letter announces the release of the 2004-05 edition of FSA’s online training course FSA COACH.

**SCHOOL LIST UPDATES**

The following changes should be recorded by lenders on MGA’s “Active Michigan School List” dated August 4, 2004. If you have any questions regarding these changes, please contact Stacy Cardwell at extension 36074.

**Title Change**

**Baker College, Port Huron, 004673-06**

Christine Weekes’ new title is Financial Aid Director.

**Address Changes**

**Chic University of Cosmetology, Kalamazoo, 008178-01**

This campus has moved to 6091 Constitution Road, Portage, MI 49024. The telephone and fax numbers will remain the same.

**School of Creative Hair Design, Coldwater, 031103-00**

Change address to: 470 Marshall Street, Coldwater, MI 49036-1139.

**Contact Name Changes**

**Olympia Career Training Institute, Grand Rapids, 021004-00**

Delete Dan Grimm. The new contact person is Connie Graham, Director of Finance. Connie’s telephone number is 616-364-8464, and her email is cgraham@cci.edu.

**Rochester College, Rochester Hills, 02288-00**

Delete Burt Rutledge. The new contact person is Lee Watson, Financial Aid Director. Lee’s telephone number is 1-800-521-6010, and her email address is Lwatson1@rc.edu.

**Western Michigan University, Kalamazoo, 002330-00**

Delete Sue O’Flaherty. Carol Aslanian is the Interim Director. Carol’s telephone number is 269-387-6878, fax number 269-387-6989, and her email address is aslanian@wmich.edu.

**LENDER LIST UPDATES**

School personnel should record the following actions on the “Participating Lender List” dated January 26, 2004. Please make the appropriate changes in all sections of the list as needed. If you have any questions regarding these updates, please contact Pat Fromm at extension 36076.

**Newly Participating Lender**

**Education Loan Resources, 833930, c/o MOHELA, 633 Spirit Drive, Chesterfield, MO 63005, 800-666-4352.**

**Joined Referral Program**

**First Independence Bank, 222018,** has joined the Standard Federal referral loan program. Their address is c/o Nelnet, Inc., P.O. Box 82596, Lincoln, NE 68501-2596. Telephone number: 800-755-7858.

**Address Change**

**Collegiate Funding Services, 834091,** changed its address to 10304 Spotsylvania Avenue, Suite 100, Fredericksburg, VA 22408.

## Calendar of Upcoming Events

### September

22-24 Michigan Association of Community Banks  
30<sup>th</sup> Annual Convention and Expo 2004  
Grand Traverse Resort  
Traverse City, Michigan

### October

8-9 Michigan Association of Credit Unions  
Development Conference and Expo  
Amway Grand Plaza Hotel  
Grand Rapids, Michigan

11 Mapping Your Future Evening Chat  
"Finding the School of your Dreams  
and Gaining Admission"

13 SFA Training - Return of Title IV Funds,  
Analyzing Data & Conflicting Information  
Macomb Community College  
Warren, Michigan

24-27 MASFAA Conference  
Indianapolis, Indiana

### November

1-4 U.S. Department of Education  
Electronic Access Conference (EAC)  
Orlando, Florida

9 Mapping Your Future Evening Chat  
Loan forgiveness, cancellation, and  
discharge.

11 MGA Office Closed

12 Mapping Your Future Evening Chat  
Finding the school of your dreams  
and gaining admission.

17 MGA Fall School Workshop  
Schoolcraft College VisTaTech Center  
Livonia, Michigan

18 MGA Fall School Workshop  
Grand Rapids Community College  
Grand Rapids, Michigan

19 MSFAA High School Counselor  
Workshop

25-26 MGA Office Closed

30-12/3 U.S. Department of Education  
Electronic Access Conference (EAC)  
Las Vegas, Nevada

**If you need further information or wish to submit items for the calendar, please contact Jim Peterson, Editor, at extension 36944, or via email at [peterstonj@michigan.gov](mailto:peterstonj@michigan.gov).**

# **LOAN NOTES**

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## COLLEGES IMPLEMENTING LIFE SKILLS<sup>SM</sup>

The following schools are using Life Skills in many different ways. Life Skills is a leading edge financial literacy program that helps students reduce loan defaults and complete their degrees or programs on time. Life Skills is a flexible educational program that will equip your institution to educate students to manage their time and money wisely while they attend your school, as well as after graduation. MGA will provide the training and materials to your staff, at no cost to your institution, to enable them to deliver this program in the most effective manner based on the unique needs of your students.

**Concordia University** used Life Skills as part of their “senior send-off” celebrations. The financial aid office joined forces with the Business Office, Registrar, and several lender partners to offer a half-day event for graduating seniors. The seniors were able to complete exit counseling, collect their cap and gown, learn about loan repayment and consolidation, and participate in a creative “Life Skills Jeopardy” game. In May, Concordia completed their second “senior send-off” celebration, and it was successful. Karen McDowell plans to compile a report on the comments they received from the seniors, as well as use the information to enhance their entrance and exit counseling efforts. Concordia plans to incorporate several Life Skills modules in a required freshmen orientation session for the 2004-05 academic year.

**Douglas J Aveda** uses Module 1 in their student orientation. They have the students think about how much money they will need for the program by using the budget information in Module 1.

**Eastern Michigan University** is working on using Modules 1, 2, and 5 as part of their orientation for new students and exit counseling sessions. They will incorporate some of the features in the different modules in their student housing education meetings. EMU has received positive feedback from students on Module 1; some students have asked for copies of the booklet for their friends. Financial aid advisors use portions of Module 1, 2, and 5 during regular counseling sessions. EMU also uses Module 4 for exit counseling.

**Lake Superior State University** uses the Life Skills financial literacy as part of their exit counseling session. Lake Superior uses the Module 4 workbook along with the student activity CD-ROM.

**Montcalm Community College** is one of the pilot schools in Michigan that is working on incorporating Life Skills into their curriculum for new students. The Student Services Unit will incorporate the Life Skills financial literacy into their program services.

**Northern Michigan University** used the Life Skills activity CD-ROM as a part of their entrance counseling/student orientation session.

**Olivet College** is incorporating Life Skills into their student orientation. They use Modules 1 and 2 and have received positive feedback.

**West Shore Community College** is working on incorporating Life Skills into their new student orientation. In addition, they are working on updating their online orientation section to include some of the information in Modules 3 and 4. West Shore has incorporated Life Skills in their College Learning Strategies class—activities from several modules are being used in this class. The Women’s Resource Center also uses activities from the Life Skills modules to instruct students on how to be a successful student.

(July 2004)

## **COMMON MANUAL - TYPE OF PROPOSAL POLICY PROPOSAL**

Date: Date

	DRAFT	Comments Due	
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

**SUBJECT:**

Subject

**AFFECTED SECTIONS:**

Section & Title

**POLICY INFORMATION:**

Proposal#/Batch#

**EFFECTIVE DATE/TRIGGER EVENT:**

Effective Date/Trigger Event

**BASIS:**

Statutory/Regulatory/DCL Basis

**CURRENT POLICY:**

Current Policy

**REVISED POLICY:**

Revised Policy

**REASON FOR CHANGE:**

Reason for Change

**PROPOSED LANGUAGE - COMMON MANUAL:**

Proposed Language

**PROPOSED LANGUAGE - COMMON BULLETIN:**

Proposed Common Bulletin Language

**GUARANTOR COMMENTS:**

Guarantor Comments

**IMPLICATIONS:**

*Borrower:*

Borrower Implications

*School:*

School Implications

*Lender/Servicer:*

Lender/Servicer Implications

*Guarantor:*

Guarantor Implications

*U.S. Department of Education:*

Department Implications

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**To be completed by the Policy Committee**

**POLICY CHANGE PROPOSED BY:**

Policy Change Proposed by

**DATE SUBMITTED TO CM POLICY COMMITTEE:**

Date Submitted to CM Policy Committee

**DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:**

Date Submitted to GB for Approval

**PROPOSAL DISTRIBUTED TO:**

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

Proponent/edited-Editor

File Name